

LA-UR-18-22176

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Title: Purchase Card Approver Training

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Intended for: Training

Issued: 2018-03-14

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Purchase Card Approver Training

Course #38334

Introduction

The purpose of this training is to provide Purchase Card Approver with an understanding of the Los Alamos National Laboratory Purchase Card (P-Card) program so that they can be authorized to approve their cardholders U.S. Bank-issued VISA® card transactions and to ensure they are in compliance with Laboratory policies and procedures governing card use.

The Purchase Card Program is an important part of the Laboratory's financial operations. It not only helps the Laboratory remain fiscally responsible and compliant with DOE rules and Federal financial regulations, but it also helps Laboratory employees promptly get the equipment, tools, materials, and services they need to perform work.

[Click here if you would like to see the specific learning objectives for this course.](#)

This course was DC approved by Lisa Rothrock February 2018.

Cardholder and Approver Requirements

To be a P-Card Holder, you must:

- Be a current Laboratory employee.
- Be nominated by your Line Manager using Form 2186, Nomination Form.
- Successfully complete New Cardholder and Approver Orientation Course #25188 and pass the associated course quiz with a score equal to or greater than 80%.
- Successfully complete DPR Fundamentals Course #32399 and pass the associated course quiz with a score equal to or greater than 80%.
- Complete the LANL Purchase Card Program Account Set-Up Form.
- Sign the Los Alamos National Laboratory Cardholder Agreement.
- Maintain P-Card qualification by completing the annual P-Card refresher training, Course #52660, or test out using the UTrain exam #52661.
- Obtain iExpense authority.

To be a Purchase Card Approver, you must:

- Be a current Laboratory employee.

- Successfully complete Purchase Card Approver Training, Course #38334 (this course) and pass the associated course quiz with a score equal to or greater than 80%.
- Maintain P-Card qualification by completing the annual P-Card refresher training, Course #52660, or test out using the UTrain exam #52661.

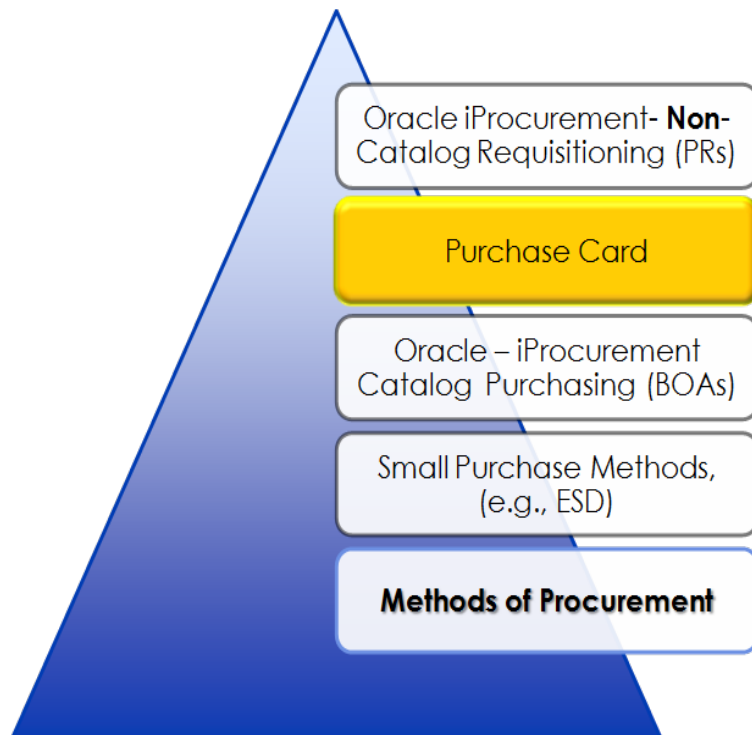
Delegation of Authority

A formal Delegation of Authority for purchasing necessary equipment, tools, materials, and services for the Laboratory flows from the NNSA through Laboratory management down to the individual P-Card holder. Every authorized P-Card holder at LANL makes small purchases under this established Delegation of Authority.

Under this Delegation of Authority cardholders are allowed purchase limits of \$5000 per transaction and \$50,000 per month.

Methods of Procurement

The graphic below illustrates the place of P-Cards in LANL's procurement practices.



Order of Precedence

When making P-Card purchases it is important to follow the purchasing order of precedence, which is Basic Ordering Agreements (BOAs), P-Card, and Purchase Requisition (PR).

If an item cannot be purchased from a BOA, then determine if it is an allowable P-Card purchase. If the item cannot be purchased using a P-Card, then a PR must be submitted.

To determine if an item can be purchased from a BOA, consult the BOA Contracts Matrix located on the ASM SharePoint site at:

<https://asmdocs.lanl.gov/docs/BOAs/Forms/Allitems.aspx>

View the navigation below as a screen capture video.

Purchase Card

LANL's Purchase Card is a Visa® credit card issued by U.S. Bank.

The Purchase Card is issued to the individual designated as the cardholder.



Purchase Limit Increases

If there is a documented business need for a cardholder to have higher purchase limits than the initial \$5,000 per transaction and \$50,000 per month limits, the Purchase Card Program Administrator may approve a request for an increase in a cardholder's limits on a case-by-case basis.

Purchase limit increase requests require that the cardholder's Group Leader provide a written justification for the increase to her/his Division Leader for initial approval. The Purchase Card Program Administrator may then approve the increase after consideration of the cardholder's performance.

A cardholder's "performance" is based on

- being a cardholder for a minimum of six months,
- being in compliance with applicable policies and requirements, and
- having passed an audit review.

By accepting a purchase card, cardholders agree to be responsible for complying with the cardholder rules and responsibilities. In the next few screens we will look at each of these responsibilities in depth.

-
- being in compliance with applicable policies and requirements, and
- having passed an audit review.

By accepting a purchase card, cardholders agree to be responsible for complying with the cardholder rules and responsibilities. In the next few screens we will look at each of these responsibilities in depth.

Cardholder Responsibilities: Performance, Safeguarding, Ordering

Performance

A Cardholder's Performance

A cardholder's "performance" is based on:

- A. being a cardholder for a minimum of six months,
- B. being in compliance with applicable policies and requirements,
- C. having passed an audit review.

By accepting a purchase card, you cardholders agree to be responsible for complying with the cardholder rules and responsibilities. In the next few screens we will look at each of these responsibilities in depth.

Safeguarding

Safeguarding their P-Card

The security of the card issued to the cardholder is important. They are responsible for safeguarding their purchase card and protecting their account number at all times and preventing its use by another person. As such:

- They should not allow other individuals to have access to (or use of) their P-Card.
- They should not write the number down and give it to someone else.
- They should not fax or email their P-card number.
 - If they must fax or email an order, it is often acceptable to supply the last 4 digits and then call in the rest of the number.

Ordering

P-Card - Placing an Order

- Identify requirement/business need
- Prior to making a purchase, examine the most recent Purchase Card Prohibited/Restricted List.

Tip: Do not print the Purchase Card Prohibited/Restricted List. It is better to bookmark the site on your browser as it will always be the most updated list.

Purchase Card Prohibited/Restricted List

Where is the Purchase Card Prohibited/Restricted List located?

Navigation from the LANL Homepage:

<http://int.lanl.gov/index.shtml>

Select: *Services*

Select: *Procurement*

Navigation from the ASM Homepage:

<http://int.lanl.gov/org/padops/adbi/asm/index.shtml>

Select: *Procurement services*

Select: *Designated Procurement Representative*

Select: *Purchase Card*

Select: *Policies*

Select: *Prohibited Restricted P-Card List*

View the navigation below as a screen capture video.

The Purchase Card Prohibited/Restricted List - what's the difference?

Prohibited List

The *Prohibited List* is a list of certain items and services that you may **NOT** purchase via the Purchase Card Program.

Contact the vendor/supplier/merchant, negotiate the price when possible, and obtain a status on the availability of the ordered item.

Restricted List

The *Restricted List* is a list of certain items and services that you **MAY** purchase with a P-Card with appropriate approvals and documentation.

Create an expense report:

- review for accuracy,
- attach receipts and submit for approval.

NOTE: It is the cardholders responsibility to ensure that their expense report is approved by the approver.

Cardholder Purchases

Code and Submit Purchases

Each month, the P-Cardholder receives a statement that itemizes all card transactions that occurred within the last 30 days. The P-Card billing cycle closes around the 25th of each month. The Purchase Card system is loaded daily with transactions that have posted to your account 2 days prior and will send notices to cardholders once a week.

Remember, your P-Cardholders card will be suspended after 35 days if any transaction has not been coded, submitted, and approved.

Documentation

It is the responsibility of all P-Card cardholders to maintain hard copies and retain all documentation needed to justify purchase. This includes:

- Invoice Receipts
- Purchase Card (online/system) Order Forms

- E-mail/notes/correspondence
- Shipping System documentation
- Hard Copy of Statement of Account
- Proof of Receipt
- Special Approvals

P-Card cardholders must retain supporting documentation for a minimum of six years and three months. Records follow the Cardholder and are not to be left with previous organizations. Once the cardholder leaves the Laboratory or the Purchase Card Program the records are to be turned in to the Purchase Card Office.

Approver Responsibilities

It is the responsibility of approvers to review all hard copy supporting documentation for purchases made **prior** to online approval to ensure that:

- all purchases were for official use,
- unauthorized/prohibited items were not purchased, and
- purchases were not intentionally "structured" to avoid the single purchase limit (usually \$5,000).

Approvers must approve expense reports online upon receipt of the e-mail notification.

All approvers must adhere to the 10:1 ratio "rule" which means that one approving official may not oversee/approve the P-Card activity of more than 10 cardholders. Approvers must not worklist the approver responsibility to any individual. The Purchase Card Office must validate all approvers.

Assessments

Oracle Application

The Laboratory's auditing solution for Purchase Card is a Oracle application used to check and validate all (100%) purchase card transaction data against control parameters and business rules to identify exceptions for analysis, and to ensure internal controls and compliance are maintained.

Audit Process

Audit process initiated Oracle Application on a scheduled basis by the Purchase Card Office around the seventh of the month.

P-Card Transactions

The Oracle application looks for the following purchase card transactions that do not meet Purchase Card policies and procedures.

- Unauthorized purchases – This is based on a key word list established from the Prohibited/Restricted list
- Foreign Buys

Split Transactions- 2 or more transactions to the same company that exceeded the cardholders single transaction limit.

- Changes to cardholder accounts – monthly limits or single transaction limits
- Transactions with a description of numbers- will pick up when a cardholder reconciles with only numbers as a description
- Any order > \$10K– Purchase Card office reviews any order over \$10K to ensure policy compliance.

Sanctions

The Designated Procurement Representative (DPR) Sanctions Policy addresses occurrences of noncompliance with P-Card policies and procedures and addresses corrective actions and penalties relative to occurrences of noncompliance. The policy provides five types of corrective actions that may be exercised for noncompliance with P-Card policies and procedures. They are:

Notification - An infraction not considered serious or of major consequence addressed in memo form.

Retraining - An infraction that can be addressed by attending previously completed training and/or one-on-one training.

Warning - An infraction with multiple recorded warnings, notifications and/or retraining that result in limiting or suspending the DPR's delegation of authority.

Suspension - An infraction that results in revocation of the DPR's delegation of authority.

Rescission - An infraction that results in revocation of the DPR's delegation of authority because of actions which relate to:

- Intentional disregard of policy.
- Intentional acts of fraud, waste or abuse.

- Acts that otherwise pose a safety, security and/or quality risk resulting in the rescission of the DPRs delegation of authority.
- Acts which compromise the integrity of LANS's approved procurement system.
- Pattern of continuous disregard of policies and procedures.

Where is the Purchase Card Sanctions Policy located?

From the DPR home page:

Select: *Becoming a DPR*

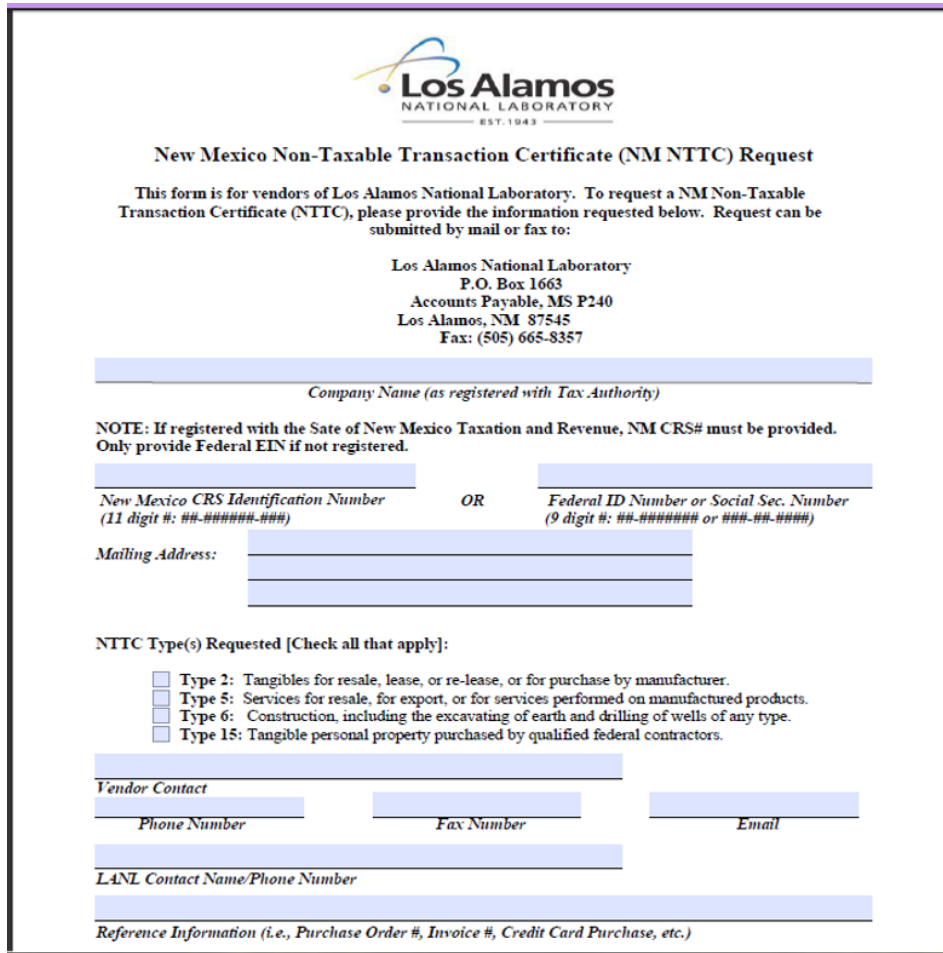
Select: *DPR Sanctions Policy*

Over-the-Counter Purchases

There may be times when the cardholder will use their P-Card for so-called over-the-counter purchases. Over-the-counter purchases in excess of \$500 require confirmation of receipt by a Purchase Card approving official, Budget Analyst, or Property Administrator.

New Mexico Nontaxable Transaction Certificate

Click on the image below to access the NM NTTC fillable pdf.



The image shows a fillable PDF form titled "New Mexico Non-Taxable Transaction Certificate (NM NTTC) Request". At the top is the Los Alamos National Laboratory logo, which includes a stylized blue and yellow atom symbol and the text "Los Alamos NATIONAL LABORATORY EST. 1943". Below the logo, the title "New Mexico Non-Taxable Transaction Certificate (NM NTTC) Request" is centered. A paragraph of instructions follows: "This form is for vendors of Los Alamos National Laboratory. To request a NM Non-Taxable Transaction Certificate (NTTC), please provide the information requested below. Request can be submitted by mail or fax to:". Below this is the mailing address: "Los Alamos National Laboratory, P.O. Box 1663, Accounts Payable, MS P240, Los Alamos, NM 87545, Fax: (505) 665-8357". A light blue horizontal bar is below the address. The next section is labeled "Company Name (as registered with Tax Authority)" and has a corresponding light blue bar. A "NOTE" states: "If registered with the State of New Mexico Taxation and Revenue, NM CRS# must be provided. Only provide Federal EIN if not registered." Below the note are two light blue bars for "New Mexico CRS Identification Number (11 digit #: ##-#####-####)" and "Federal ID Number or Social Sec. Number (9 digit #: ##-##### or ###-##-####)", with "OR" between them. A "Mailing Address:" label is followed by three light blue bars. The "NTTC Type(s) Requested [Check all that apply]" section lists four options with checkboxes: "Type 2: Tangibles for resale, lease, or re-lease, or for purchase by manufacturer.", "Type 5: Services for resale, for export, or for services performed on manufactured products.", "Type 6: Construction, including the excavating of earth and drilling of wells of any type.", and "Type 15: Tangible personal property purchased by qualified federal contractors." Below this is a light blue bar for "Vendor Contact". The "Vendor Contact" section has three light blue bars for "Phone Number", "Fax Number", and "Email". Below that is a light blue bar for "LANL Contact Name/Phone Number". The final section is "Reference Information (i.e., Purchase Order #, Invoice #, Credit Card Purchase, etc.)" with a light blue bar.

Los Alamos
NATIONAL LABORATORY
EST. 1943

New Mexico Non-Taxable Transaction Certificate (NM NTTC) Request

This form is for vendors of Los Alamos National Laboratory. To request a NM Non-Taxable Transaction Certificate (NTTC), please provide the information requested below. Request can be submitted by mail or fax to:

Los Alamos National Laboratory
P.O. Box 1663
Accounts Payable, MS P240
Los Alamos, NM 87545
Fax: (505) 665-8357

Company Name (as registered with Tax Authority)

NOTE: If registered with the State of New Mexico Taxation and Revenue, NM CRS# must be provided. Only provide Federal EIN if not registered.

New Mexico CRS Identification Number (11 digit #: ##-#####-####) OR Federal ID Number or Social Sec. Number (9 digit #: ##-##### or ###-##-####)

Mailing Address:

NTTC Type(s) Requested [Check all that apply]:

- ☐ Type 2: Tangibles for resale, lease, or re-lease, or for purchase by manufacturer.
- ☐ Type 5: Services for resale, for export, or for services performed on manufactured products.
- ☐ Type 6: Construction, including the excavating of earth and drilling of wells of any type.
- ☐ Type 15: Tangible personal property purchased by qualified federal contractors.

Vendor Contact

Phone Number Fax Number Email

LANL Contact Name/Phone Number

Reference Information (i.e., Purchase Order #, Invoice #, Credit Card Purchase, etc.)

Purpose: Issued to exempt LANL from paying the State of New Mexico's gross receipts tax only.

- LANL is NOT exempt from any other states taxes.
- The NM NTTC may be issued for goods and services, including construction.

To obtain a tax exemption form:

- Go to the Purchase Card Website
- Select: New Mexico Non-Taxable Transaction Certificate Form

Purchase Card Shipping Guidelines

All Purchase Card inbound shipments should be addressed to Requester as follows:

Requester's Full Name and Group

U.S. DOE in care of LANL

Bikini Atoll Road, SM-30

Los Alamos, NM 87545

Per DOE Order 460.2 and 48 CFR 47.102 (FARs), the government is self-insured. Therefore, insuring or declaring value on LANL shipments is not allowed (unless qualifying as a "special circumstance" under procurement regulations).

All items must be shipped to this address unless you have prior approval from ASM-MM for drop shipment.

Offsite work areas (e.g., NTS, Carlsbad, LLNL) require commercial delivery and receipt through their official offsite distribution channels.

LANL Routing Guide-Domestic Shipments:

https://asmdocs.lanl.gov/pm/pmwo_docs/routeguide.pdf

Getting Help With Outbound Shipping

Policy P871, Rev. 5, *Government Personal Property*, 3.1.2 Materials Management, states that all Laboratory government personal property/material, deliveries, and off-site shipments, will be processed/coordinated through the Materials Management Group at TA-3, Building SM-30.

The LANL Shipping Office and related areas have converted the manual shipping request system to the *ShipIt* automated online shipping process. The benefits for this new process include cost and time savings, better tracking and reporting capabilities, elimination of paper processing, ease of use, build-in checks and balances, and compliant and consistent shipments.

[Services](#) » [Materials Management](#) » [Shipping/Traffic](#)

Shipping/Traffic

The Shipping Request Management System *SHIPIT* Project Home Page, which includes how-to guides, can be found under the Quick Links section of the Materials Management

Shipping/Traffic web page:

SHIPPING/TRAFFIC OFFICE7-0996lanlshipping@lanl.gov

Cardholder and Approver Extended Absences

If a cardholder or approver will be absent from their job for an extended period and it is necessary to delegate authorities for reconciliation and/or approval, the individual should notify the Purchase Card Office of the absences as soon as possible. The Purchase Card Office will delegate the necessary authorities to authorized individuals.

Note: The Purchase Card Office recommends that all approvers have a pre-approved designated back-up in case the regular approver is required to go on an extended absence.

All individuals named as back-up cardholders or approvers must meet the requirements to be a Purchase Card Cardholder or Approver.

Corrections and Disputes

Cardholders are responsible for:

- Entering the dispute in the Purchase Card System, and
- Working out all order problems directly with the vendor/supplier/merchant. The cardholder only has 60 days from the transaction date to file a dispute with the bank.

If a cardholder has a dispute with a vendor, they must contact the U.S. Bank Customer Service Center at 1-800-344-5696.

Provide the bank with the following information:

- Transaction date
- Amount of transaction
- Merchant (vendor/supplier) information

U.S. Bank will complete a dispute form and issue a case number to the cardholder. If the resolution/outcome is in the Laboratory's favor, a credit will be issued and will appear on the cardholder's transaction list in IExpense.

The dispute process is outlined in greater depth on the webpage Dispute Process for U.S. Bank, which can be found under Guidance on the LANL Purchase Card website.

Exception Process

The cardholder's organization may request an exception to the requirements listed on the Purchase Card Prohibited/Restricted List. Circumstances that warrant consideration for an exception include repetitive purchase of specialty items or services for programmatic, departmental or Lab-side use, and purchases for inventory stock items.

Forms

- [1882a Personal Protective Equipment; Approval Source Document for Safety Shoes and Protective Clothing \(pdf\)](#)
- [DPR 005, PCard Exception Approval](#)
- [Forms Library \(AS\)](#) 

To get this exception, complete and send the form *DPR 005, P-Card Exception Approval* (found under Forms on the LANL Purchase Card website) via e-mail to the Purchase Card Office, phdhelp@lanl.gov

Reporting A Lost or Stolen P-card

If a P-Card is ever lost or stolen, the cardholder must immediately notify, in the following order:

1. U.S. Bank Customer Service at 1-800-344-5696
2. Their approving official
3. The LANL Purchase Card Program Office at 606-0368 or phdhelp@lanl.gov

Getting Assistance

[Services](#) » [Procurement](#)

Procurement



Resources for:

- [Designated Procurement Representative \(DPR\): Forms, Policies, Training, Tools](#)

Answers to many questions or concerns about the Purchase Card Program can be found on the Purchase Card webpage, which can be accessed by going to the Laboratory's Procurement page, which can be found under the Services tab on the LANL homepage, and the following path: Procurement; Designated Procurement Representative; Purchase Card. The page provides direct links to the forms, policies, guidance, training, and resources necessary for obtaining and using a LANL Purchase Card.

Additional information can be found in the *DPR News Bulletin*, which

- Notifies cardholders and approvers of program changes
- Includes reminders of policies and procedures
- Summarizes internal audit findings

Computer system support is available through AskIT at 5-4444. For all other questions contact phdhelp@lanl.gov or 6-0368.

Summary

By requesting credit for this training, I acknowledge that I have read and understand the content of this training and that I will follow and meet requirements of this training, unless it is unsafe to do so.